

CITY OF BUNKER HILL VILLAGE

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF BUNKER HILL VILLAGE, TEXAS OCTOBER 19, 2010 – 5:00 P.M.

I. PLEDGE OF ALLEGIANCE

The mayor suspended with the pledge.

II. CALL TO ORDER

Mayor Essary called the meeting to order at 5:03 p.m. in the Council Chambers of City Hall, 11977 Memorial Drive, Houston, Texas.

Present:

Mayor Derry D. Essary
Councilman Keith Brown
Councilman Dave Ellis
Councilwoman Cooky Mays
Councilwoman Susan Schwartz
Councilman Jay Smyre

City Staff:

Ruthie Sager, City Administrator
Loren Smith, City Attorney
Kelly Johnson, City Secretary/Director of Finance
Steve Smith, Dir of Public Works/Building Official
Tom Ramsey, City Engineer

III. PUBLIC HEARING REGARDING AN ORDINANCE FINDING THAT THE EXISTING ELECTRIC DISTRIBUTION RATES OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC (“CENTERPOINT” OR “COMPANY”) ARE UNREASONABLE AND SHOULD BE REDUCED

Mayor Essary opened the public hearing at 5:04 p.m.

Comments:

Mr. Fernando Floreslovo with CenterPoint Energy said CenterPoint has invested an estimated 1.5 billion dollars in the last four years to update equipment and services. He said CenterPoint is asking for an increase in rates to try and recover some of their costs. He said the last rate increase was back in 2006. Mr. Floreslovo said for every 1,000 kilowatt hours an average customer would be paying an additional \$5.00.

Mayor Essary closed the public hearing at 5:09 p.m.

IV. DISCUSSION AND POSSIBLE ACTION REGARDING AN ORDINANCE FINDING THAT THE EXISTING ELECTRIC DISTRIBUTION RATES OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC (“CENTERPOINT” OR “COMPANY”) ARE UNREASONABLE AND SHOULD BE REDUCED; ORDERING CENTERPOINT TO REDUCE ITS EXISTING RATES WITHIN THE CITY; ORDERING CENTERPOINT TO SUBMIT TARIFFS CONSISTENT WITH THE RECOMMENDATION OF THE GULF COAST COALITION OF CITIES’ CONSULTANTS IN PUBLIC UTILITY COMMISSION OF TEXAS DOCKET NO. 38339; ORDERING CENTERPOINT TO REIMBURSE THE CITY FOR ITS REASONABLE COSTS INCURRED IN THIS RATE CASE AND ANY RELATED RATEMAKING PROCEEDINGS OR APPEALS OF SAID PROCEEDINGS; AUTHORIZING THE GULF COAST COALITION OF CITIES TO ACT ON BEHALF OF THE CITY AND INTERVENE IN ANY PROCEEDINGS

BEFORE ADMINISTRATIVE OR JUDICIAL BODIES; REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND LEGAL COUNSEL

Mr. Loren Smith, City Attorney, said this ordinance is proposing to join the Gulf Coast Coalition to appeal the rate increase. Mr. Floreslovo said the final order should be rendered by the Public Utility Commission in January 2011.

Motion was made by Councilwoman Mays and seconded by Councilman Ellis to adopt the ordinance as stated. Motion carried 5-0.

V. CITIZENS' COMMENTS

This is an opportunity for citizens to speak to council relating to agenda and non-agenda items. Comments are limited to three minutes. If the topic the speaker wishes to address is on the agenda, the speaker can either speak at this time or defer comments until such time the item is discussed.

Speakers are required to address council at the microphone and give their name and address before voicing their concerns.

Note: To comply with provisions of the Open Meetings Act, the City Council may not deliberate on items discussed under this agenda item. Items that cannot be referred to the city staff for action may be placed on the agenda of a future City Council meeting.

John Glover at 11637 Blalock Lane commented on drainage and flooding issues.

VI. MAYOR'S REPORT

A. City's position on recently released TIRZ 17 drainage study

Mayor Essary said that the TIRZ 17 has completed their most recent study at a cost of \$500,000. The mayor said from the newspaper article he read it stated that various neighborhoods embraced the study. He said let me assure you that the City of Bunker Hill Village did not embrace the study.

The mayor referred to a drainage map that was passed out to council showing where the TIRZ 17 would be draining into Bunker Hill Village at Taylorcrest and continuing down Strey Lane. At the bottom of the map he said it shows the project needing to be reviewed by City of Houston, Harris County Flood Control District, and TIRZ 17. The mayor said there is one obvious entity missing from the review process. He said what the TIRZ 17 has done is they want to empty water north of Taylorcrest by adding an additional culvert down Strey Lane. He said not one person from TIRZ 17 has approached Bunker Hill Village about the proposal.

The mayor said Bunker Hill Village is proceeding with solving the drainage issue in the western and eastern sections of our city. The west end solution involves a single box culvert that runs down Strey Lane. He said preliminary engineering for this solution is continuing and should be ready by the next council meeting. The mayor said his concern was if we continue to wait on a complete multi-city solution, city council a decade from now will continue wondering how we can solve our drainage issues in our city.

B. Discussion of upcoming water rate adjustment

Mayor Essary said for the last six weeks the SCADA system has reported that we have taken our allocation of water from the City of Houston by 6:00 a.m.

Mr. Steve Smith, Dir of Public Works/Building Official, showed a slide presentation regarding the total water used in the City of Bunker Hill and from what well. He also talked about if we lost well #1, our largest and most critical well.

- C. Discussion of appointing a council liaison in connection with the proposed drainage project on Strey Lane

Mayor Essary said he is appointing Councilman Brown as council's point person on the Strey Lane Drainage Project and associated activities in eastern Bunker Hill Village.

- D. Comments by Councilman Brown regarding the Strey Lane Drainage Project

Councilman Brown said he went back and reviewed the studies that have been done regarding W151. Councilman Brown gave a summary on the studies. The studies all talked about detention ponds, channel improvements, and storm sewer improvements.

Councilman Brown said the most recent study done by the TIRZ 17 in September 2010, states the solution is much greater than TIRZ 17 has available funding for. The TIRZ 17 suggest instead of linking their drainage problems in W151 with the proposed Strey Lane Drainage Project. The TIRZ 17 thought this was the first step in a regional solution.

Councilman Brown said not in the study is there anything about retention, other than saying retention is not available anywhere in the TIRZ 17 boundaries. Councilman Brown said in the study it talks about storm drain capacity. He said in two prior studies it talked about putting 12 x 12 culverts down Gessner. He said on the Gessner Project the TIRZ 17 put in 5 x 8 culverts.

Councilman Brown said the latest study done by the TIRZ 17 is a classic exercise of kicking the can down the road and have someone else pay for it. Councilman Brown said he doesn't think the TIRZ 17 is serious and he was insulted about it. He said what they are suggesting is a parallel conveying on Strey Lane and mitigation down Buffalo Bayou that someone else will pay for. Councilman Brown showed on the map where the TIRZ 17 wants to tie W151 into Strey Lane and Councilman Brown stated that as long as he is on city council he will do everything in his power not to let them do that.

Councilman Brown said the bottom line on this is on W151 we are on our own. He said Harris County Flood Control simply does not have enough money for all the projects that they have on the books.

VII. DISCUSSION AND POSSIBLE ACTION REGARDING ELECTRIC RETAIL SALES AGREEMENT BETWEEN THE TEXAS GENERAL LAND OFFICE AND THE CITY OF BUNKER HILL VILLAGE

Ms. Teresa Kelly with Cavallo Energy Texas representing the Texas General Land Office said the new rates dropped and the rate for 36 months is \$.06545.

Councilman Ellis said it was his recommendation that we seriously look at the rates for 30 or 36 months starting in February 2011. He said he thought it was the smart thing to do. He said he recommended we accept the rate for 36 months.

Motion was made by Councilman Brown and seconded by Councilwoman Schwartz to accept a 36 month contract @ \$.06545 rate. Motion carried 5-0.

VIII. CONSENT AGENDA

"ALL MATTERS LISTED UNDER CONSENT AGENDA ARE CONSIDERED TO BE ROUTINE BY THE CITY COUNCIL AND WILL BE ENACTED BY ONE MOTION, THERE WILL NOT BE SEPARATE DISCUSSION OF THESE ITEMS. IF DISCUSSION IS DESIRED, THAT ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND CONSIDERED SEPARATELY."

- A. Minutes of the September 2, 2010 Budget Workshop Meeting

- B. Minutes of the September 21, 2010 Regular Council Meeting
- C. September 2010 Financials
- D. Third Quarter Investment Report
- E. Klotz Associates Invoice No. 910071 dated September 24, 2010 in the amount of \$258.73 for professional services related to the Carolane Trail Project
- F. Klotz Associates Invoice No. 910017 dated September 22, 2010 in the amount of \$10,766.97 for professional services related to the Strey Lane Drainage Project
- G. Langford Engineering, Inc, Invoice No. 15249 dated October 7, 2010 in the amount of \$4,216.45 for professional fees related to the Surface Water Supply to the Water Plant at city hall
- H. Heirholzer Engineering, Inc, Invoice No. 3017 dated October 14, 2010 in the amount of \$23,400.00 for engineering and technical services to upgrade SCADA

Motion was made by Councilman Ellis and seconded by Councilman Brown to accept the consent agenda. Motion carried 5-0.

IX. POLICE COMMISSIONER'S REPORT

A. Police Department Activities

Commissioner Slot said the commission met last night and they approved the health insurance. He said they agreed to stay with the same health care provider, Blue Cross and Blue Shield. Commissioner Slot said they also approved the electric contract and continuing to stay with the same auditing firm.

X. FIRE COMMISSIONER'S REPORT

A. Discussion of Chief Foster's progress as the newly appointed chief of the Village Fire Department

Councilman Brown said he had not had a chance to visit with Chief Foster. The mayor said Chief Foster has taken over and been sworn in. Mayor Essary said Chief Foster is digesting the assessment and looking at a number of operational, training, and accounting issues. The mayor said he hoped to have Chief Foster at our next city council meeting.

XI. EXECUTIVE SESSION - City Council will now convene into executive session pursuant to Section 551.074 of the Texas Government Code, personnel matters, to deliberate the appointment, evaluation, and duties of a public officer, to wit: City's appointment to the Board of Commissioners of the Village Fire Department and the City's appointment to the Board of Commissioners of the Memorial Villages Police Department.

Mayor Essary called to go into Executive Session at 6:03 p.m.

Mayor Essary returned and adjourned Executive Session at 6:27 p.m.

XII. DISCUSSION AND POSSIBLE ACTION REGARDING A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUNKER HILL VILLAGE, TEXAS, NAMING SAID CITY'S COMMISSIONER ON THE BOARD OF COMMISSIONERS OF THE VILLAGE FIRE DEPARTMENT

Mayor Essary said Councilman Brown is resigning his position as Bunker Hill Village's Fire Commissioner.

Motion was made by Councilman Brown and seconded by Councilman Ellis to nominate Mayor Essary to replace Councilman Brown as the new Bunker Hill Village's Fire Commissioner. Motion carried 5-0.

XIII. DISCUSSION AND POSSIBLE ACTION REGARDING A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUNKER HILL VILLAGE, TEXAS, NAMING SAID CITY'S COMMISSIONER ON THE BOARD OF COMMISSIONERS OF THE MEMORIAL VILLAGES POLICE DEPARTMENT

Mayor Essary said Mr. Peter Slot will tender his resignation as Bunker Hill's Police Commissioner. The mayor said Mr. Slot has done an admiral job as Police Commissioner

Motion was made by Councilman Ellis and seconded by Councilwoman Mays to propose to nominate and appoint Mr. Paul Soanes as the Police Commissioner for the City of Bunker Hill. Motion carried 5-0.

XIV. DISCUSSION AND POSSIBLE ACTION REGARDING PROPOSAL FOR CLEANING AND REPAIRING ALL SIGNS IN THE CITY

Mayor Essary said he has one company that has proposed a contract to clean, repair, and straighten street signs. The estimate to do the first phase of work is just under \$5,000.

Motion was made by Councilman Brown and seconded by Councilman Smyre to award the contract for the cleaning and repairing of street signs and warning signs within the City to Opa Fence Company. Motion carried 5-0.

XV. DISCUSSION AND POSSIBLE ACTION REGARDING A RESOLUTION AUTHORIZING COLLECTION FEE IN THE AMOUNT OF 30% OF DEBTS AND ACCOUNTS RECEIVABLE SUCH AS UNPAID FINES, FEE, COURT COSTS, FORFEITED BONDS, AND RESTITUTION ORDERED PAID BY A MUNICIPAL COURT SERVING THE CITY, AND AMOUNTS IN CASES IN WHICH THE ACCUSED HAS FAILED TO APPEAR

Ms. Ruthie Sager, City Administrator, said Ms. Cantu came to her in regards to the number of outstanding warrants the City of Bunker Hill Village has. The total amount in outstanding warrants is an estimated total of \$812,000. Ms. Sager said this is not revenue generating for the city but it's an obligation the city needs to follow up on.

Ms. Sager said she visited with Linebarger Goggan Blair & Sampson LLP about collecting the outstanding warrants. She said to have the firm collect the warrants would not be a cost to the city but what they do is add 30% to the warrant for their fee. Mr. Richard Hill, with Linebarger Goggan Blair & Sampson LLP, said the collection rate to expect has a lot to do with the age of the warrants in our portfolio. Based on other clients he said we could expect a return of 15% to 18% collection.

Chief Brye said the Village Police Department does collect warrants but this would be another tool Bunker Hill Village could use to collect. He said he would recommend it.

Motion was made by Councilman Smyre and seconded by Councilwoman Mays to approve a resolution to authorize the collection of fees. Motion carried 5-0.

XVI. DISCUSSION AND POSSIBLE ACTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT FOR FINES AND FEES COLLECTION SERVICES ENTERED INTO BY AND BETWEEN THE CITY OF BUNKER HILL VILLAGE AND LINEBARGER GOGGAN BLAIR & SAMPSON LLP

Motion was made by Councilman Smyre and seconded by Councilman Brown to authorize the mayor to execute a contract for collection of fines and fees. Motion carried 5-0.

XVII. DISCUSSION AND POSSIBLE ACTION REGARDING THE ANNUAL HOLIDAY RECEPTION

Mayor Essary said that this year we are proposing a holiday reception on December 14th at city hall that is catered. He said just something a little different to change things up. It was discussed who to invite and the mayor asked council's preference to having it at the Racquet Club or at City Hall. The mayor said if we had it at city hall we could invite more people.

Councilman Smyre said it would change things up from having an appreciation dinner at the Racquet Club to having an open house at city hall.

Motion was made by Councilman Brown and seconded by Councilman Smyre to have a reception here at city hall on December 14, 2010. Motion carried 5-0.

XVIII. DISCUSSION AND POSSIBLE ACTION REGARDING POSSIBLE CANCELLATION OF THE DECEMBER REGULAR COUNCIL MEETING

Motion was made by Councilman Ellis and seconded by Councilwoman Mays to cancel the December 21, 2010 City Council Meeting. Motion carried 5-0.

XIX. DISCUSSION AND POSSIBLE ACTION REGARDING THE NEW BUNKER HILL VILLAGE CITY MARKERS

Councilwoman Mays showed pictures to council of different types of entrance signs. Councilwoman Mays said she did not make a choice of the type of sign because she did not feel comfortable in doing that. Discussion was made of the estimated cost of the different types of signs. Councilwoman Mays said we have decided to put the signs at Gessner and Memorial in the esplanade, Memorial Drive Presbyterian Church, and at Taylorcrest and Bunker Hill. Councilwoman Mays said that \$20,000 is budgeted for the signs.

Council agreed on the traditional look and to have Councilwoman Mays come back to council with how many signs we can purchase for \$20,000.

XX. DISCUSSION AND POSSIBLE ACTION REGARDING EMPLOYEE INSURANCE COVERAGE

Councilman Ellis said as a combined group we had a loss ratio of less than 50%. He said in other words, we were a great risk and they have made a ton of money off of us. He said from that we would be left believing at worst we would be held flat or hopefully a premium reduction. He finds it totally unacceptable that we are seeing a 5% - 6% increase. Councilman Ellis said until we see things sort out nationally, what we are seeing is the best of the best on a renewal of a great account. No other company but Blue Cross and Blue Shield bid on our insurance. He said the co-op we use to belong to is talking about rates increasing as much as 20+%.

Councilman Ellis said we did budget for a 7% increase and the new rate came in just under that.

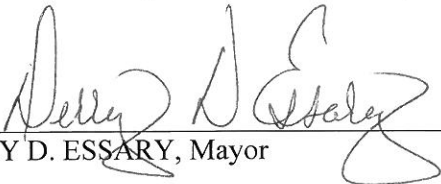
Chief Brye said there was a small increase in dental but life and LTD came in the same.

Motion was made by Councilman Ellis and seconded by Councilman Brown to approve our continued participation in the employee insurance co-op that is sponsored by the Memorial Villages Police Department. Motion carried 5-0.

XXI. ADJOURN

Motion was made by Mr. Loren Smith and seconded by Councilman Brown to adjourn the meeting at 7:06 p.m. Motion carried 5-0.

Approved and accepted on November 19, 2010.


DERRY D. ESSARY, Mayor

ATTEST:


Kelly Johnson, City Secretary